

Inset para for USSR: Cost of Empire feature

This cost of empire measures the gross value of economic and military assistance the Soviets officially provide to Eastern Europe and the Third World. It is comprised of total military assistance--the sum of sales and grants--to the LDCs, and economic help in the form of project assistance, favorable price subsidies, and credits extended for Soviet trade surpluses to both the Communist LDCs and Eastern Europe. While a large part of this assistance represents a resource transfer, it requires very little in hard currency outlays. Moreover, this estimate of traditional trade and aid flows does not attempt to capture the full cost to the Soviets of enhancing their global position and excludes such expenditures as support for insurgency movements, KGB operations, diplomatic functions, and overseas media activities.